

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6689

BILL NUMBER: SB 302

NOTE PREPARED: Feb 28, 2008

BILL AMENDED: Feb 26, 2008

SUBJECT: Health Professions and Occupations.

FIRST AUTHOR: Sen. Mishler

FIRST SPONSOR: Rep. Welch

BILL STATUS: As Passed House

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
☒ **FEDERAL**

IMPACT: State & Local

Summary of Legislation: (Amended) This bill has the following provisions:

Simultaneous Communication at Board Meetings- The bill allows members of certain licensing boards to participate in emergency meetings to suspend the licenses of practitioners who represent a clear and immediate danger to the public health and safety, if a means of communication is used that allows all board members and the public to simultaneously communicate with each other.

State Boxing Commission- The bill allows members of the State Boxing Commission to participate in meetings to consider final approval of a permit for a particular boxing or sparring match or exhibition, if a means of communication is used that allows all commission members and the public to simultaneously communicate with each other.

Renewal of Expired Certificates and Licenses- The bill makes changes in the procedures for renewal of expired certificates and licenses, and provides that the Professional Licensing Agency (PLA) sets the times for license renewals for: (1) accountants; (2) acupuncturists; (3) architects; (4) landscape architects; (5) athletic trainers; (6) auctioneers; (7) auction houses; (8) auction companies; (9) barbers; (10) cosmetologists; (11) tanning facilities; (12) chiropractors; (13) dental hygienists; (14) dentists; (15) dietitians; (16) embalmers, funeral directors, and funeral homes; (17) health facility administrators; (18) hearing aid dealers; (19) home inspectors; (20) hypnotists; (21) land surveyors; (22) physicians; (23) nurses; (24) manufactured home installers; (25) optometrists; (26) pharmacists, pharmacies, drug stores, and home medical equipment service providers; (27) plumbers; (28) podiatrists; (29) private investigator firms, security guards, and polygraph examiners; (30) professional engineers; (31) environmental health specialists; (32) psychologists; (33) real estate brokers and sales persons; and (34) speech pathologists and audiologists.

Architects, Accountants, and Acupuncturists- The bill makes changes to the qualifications for licensing of out-of-state architects, accountants, and acupuncturists. The bill makes changes to the qualification criteria for approval to sit for the licensing examination for architects.

Security Guard Agency Licensing- The bill requires a law enforcement officer of another state to comply with the security guard agency licensing requirements in order to operate a security guard agency.

Collaborative Practice Agreements- The bill prohibits advanced practice nurses from entering into collaborative practice agreements with physician assistants.

Fire Sprinkler Fitters- The bill requires the Fire Prevention and Building Safety Commission to certify automatic fire sprinkler fitters. The bill makes it a Class B misdemeanor for a person to engage in certain acts concerning automatic fire sprinkler fitter requirements.

Health Facilities Administrators Board- The bill reduces membership on the State Board of Health Facility Administrators from 14 to 13, and makes conforming changes.

Physician Provisional Licenses- The bill establishes qualifications for a provisional license for physicians.

Definitions- The bill adds a definition of "dispense" to the law concerning controlled substances.

Advance Practice Nurses- The bill provides that advanced practice nurses with prescriptive authority are subject to certain restrictions regarding drug samples.

Accountants- The bill makes changes to the membership of the Board of Accountancy.

Miscellaneous Provisions- The bill provides that a physician assistant who renders care in response to an emergency under the state emergency management law, is not required to comply with the law requiring supervision by a physician. The bill makes other changes relating to the law concerning occupations and professions.

Medicaid Provisions- The bill adds a provision requiring an amendment to the State Medicaid Plan to provide coverage for medically necessary umbilical cord transplants under the state Medicaid program.

Repealers, Technical Conflict Resolution- The bill repeals a provision allowing real estate brokers and salespersons to use a notice of passing the required licensing examination as a temporary permit to practice. The bill repeals superseded sections in the licensing laws and a definition of "dispenser" in the controlled substances law. The bill amends a statutory reference to resolve a technical conflict with SB 190 (the agriculture and animals recodification bill).

Effective Date: Upon passage; July 1, 2008; January 1, 2009.

Explanation of State Expenditures: *Simultaneous Communication at Board Meetings-* This provision could provide minimal savings to board and committee expenditures. If certain board or committee members did not have to travel to a particular location in order to discuss disciplinary sanctions, there would be a savings to the PLA in the form of reduced mileage compensation. The amount of potential savings to state expenditures would depend on the number of emergency meetings for disciplinary action conducted under the requirements of this provision. [The PLA expended \$95,027 in mileage reimbursement during FY 2007.]

State Boxing Commission- The State Boxing Commission members approve on average 50 boxing or sparring matches per year. If the three members did not have to travel to meet for approval of the final details of matches, there would be a sizeable reduction in per diem and mileage costs to the PLA.

Fire Sprinkler Fitters- Under this provision, the Fire Prevention and Building Safety Commission would be required to register (including collection of registration fees) qualified fire sprinkler fitters that register. To be considered qualified to register, an individual must complete an apprentice program and hold a certificate of completion issued by the Bureau of Apprenticeship Training via the United States Department of Labor. The Department of Homeland Security (DHS) would provide the administrative services to carry out this provision. The DHS estimates that the cost for a registration database would be about \$40,000 annually. The DHS could require an additional staff member to maintain the database. The bill does not provide an appropriation to cover these expenditures. [As of July 2007, the DHS had 36 vacancies with a total salary value of \$1.17 M.]

Medicaid Provisions- The bill would require the Office of Medicaid Policy and Planning (OMPP) to apply to the U.S. Department of Health and Human Services for a State Plan amendment to provide coverage for medically necessary umbilical cord blood transplants and other related procedures if the office approves a prior authorization request. The State Plan currently allows for bone marrow transplants; it does not specify the source of the transplanted tissue. The Standards for Coverage of Organ Transplant Services in the State Plan state that Medicaid reimbursement is not available for services or technologies considered to be experimental. Prior authorization requests for transplant services are reviewed on a case-by-case basis for medical necessity. If cord blood transplants are considered to be experimental, this provision could result in increased cost to the program.

The Medicaid program is jointly funded by the state and federal governments. The state share of program expenditures is approximately 38%. Medicaid medical services are matched by the federal match rate (FMAP) in Indiana at approximately 62%. Administrative expenditures with certain exceptions are matched at the federal rate of 50%.

Architects- The Architecture Board would have to develop rules establishing requirements for an intern development program. The Board would likely be able to accomplish the rule making during scheduled business meetings.

Health Facilities Administrators Board (HAFB)- Reduction in membership of the HAFB would provide minimal savings in per diem and mileage costs to the PLA.

Renewal of Expired Certificates and Licenses- This provision should have a minimal impact to board and PLA expenditures to implement. The provision would give the boards more authority to determine whether a particular applicant would have to sit for their profession's examination if the license was expired for more than three years (four in certain cases). Boards would be able to more closely evaluate each renewal applicant on a case-by-case basis.

Background- This provision would attempt to conform the above-listed professional boards and committees to the requirements of IC 25-1-8-6 for purposes of renewal of an expired license. With limited exceptions, the bill would conform each of these board statutes to reflect the three- or four-year grace period for renewal allowed under current law. For licenses renewed before the grace period has elapsed, the renewal provisions under IC 25-1-8-6(c) would apply. These provisions include the following:

- A. Submission of the renewal application.
- B. Payment of the current renewal fee established by the particular professional board.
- C. Payment of a reinstatement fee established by the PLA.
- D. If required, a sworn statement, signed by the license holder, that continuing education requirements have been fulfilled. Otherwise, the license holder must meet any other additional requirements of current law.

If the grace period has expired, then IC 25-1-8-6(d) would apply, which includes the following requirements for renewal:

- A. Submission of the holder's completed renewal application.
- B. Payment of the current renewal fee established by the board under Section 2 of this chapter.
- C. Payment of a reinstatement fee equal to the current initial application fee.
- D. If required, a sworn statement, signed by the license holder, that continuing education requirements have been fulfilled. Otherwise, the license holder must meet any other additional requirements of current law.
- E. Complete remediation and additional training as determined by the board.
- F. Any other requirement that is provided for in statute or rule that is not related to fees.

Explanation of State Revenues: *Collaborative Practice Agreements*- Under the bill, collaborative practice agreements between an advanced practice nurse and physician's assistants would no longer be allowed. A violating agreement would constitute a Class B misdemeanor. If additional court cases occur and fines are collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class B misdemeanor is \$1,000. However, any additional revenue would likely be small.

Acupuncturist Licensing Requirements- It is unknown as to whether this provision could affect the number of out-of-state applicants in the future. As of October 31, 2007, there were 77 licensed acupuncturists, 85 chiropractor acupuncturists, and a DDS acupuncturist licensed by the PLA.

Physician Provisional Licenses- This provision could increase state revenues by placing certain physicians under a provisional license that otherwise would not qualify for a standard physician's license. The fee for a provisional license under the bill would be \$250, the same as an endorsement for an initial standard physician's license.

(Revised) *Security Guard Agency Licensing*- Revenue from licensing fees for security guard agencies could increase slightly if more persons applied for licensure as a result of this provision.

Advance Practice Nurses- Under current law, a practitioner (which under the bill would include advance practice nurses) that knowingly or intentionally violates drug sample law commits a Class B misdemeanor. Any revenue that may be generated by this provision in the form of fines and court fees is likely to be minimal.

Fire Sprinkler Fitters- The bill would require a registration fee for fire sprinkler fitters. The bill does not specify the fee amount. Additionally, the potential number of qualified registrants is unknown. Fees would be deposited into the state General Fund. A person violating this provision would commit a Class B misdemeanor. For penalty fee information for a Class B misdemeanor, see *Collaborative Practice Agreements* above.

Medicaid Provisions- See *Explanation of State Expenditures* regarding federal reimbursement in the Medicaid program.

Explanation of Local Expenditures: *Penalty Provision-* A Class B misdemeanor is punishable by up to 180 days in jail.

Explanation of Local Revenues: *Penalty Provision-* If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from court fees. However, any change in revenue would likely be small.

State Agencies Affected: Professional Licensing Agency; Fire Prevention and Building Safety Commission
Homeland Security.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: State Budget Agency: Auditor's Data; Wade Lowhorn, Professional Licensing Agency, 317-232-3901; Mara Snyder, Department of Homeland Security.

Fiscal Analyst: Chris Baker, 317-232-9851.